

HOUSE No. 3902

The Commonwealth of Massachusetts

PRESENTED BY:

William Smitty Pignatelli

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act establishing the Massachusetts Student Loan Authority.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
William Smitty Pignatelli	4th Berkshire
Barbara A. L'Italien	18th Essex
Denise Provost	27th Middlesex
Anne M. Gobi	5th Worcester
Jennifer M. Callahan	18th Worcester
David B. Sullivan	6th Bristol
Bruce E. Tarr	First Essex and Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT ESTABLISHING THE MASSACHUSETTS STUDENT LOAN AUTHORITY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Notwithstanding any law to the contrary, the treasurer may contract a financial institution or
2 consortium of financial institutions chartered or located in Massachusetts to establish a fund or funds to
3 be known as the Massachusetts College Savings Fund. Such financial institution or institutions shall be
4 known as the fund managing agent. The managing agent may contract with such investment managers
5 and servicing agents as necessary for the prudent and efficient operation of the Fund. The treasurer may
6 authorize, subject to the approval of the treasury board, investment vehicles suitable for such Fund or
7 funds. Securities shall be insured against default to the extent appropriate according to the credit rating of
8 each eligible security in the Fund or funds.

9 Shares in the Fund or funds shall be sold to parents and other individuals in order to facilitate their saving
10 for college expenses. To ensure that the shares are readily available to those persons who wish to obtain
11 them, any financial institution chartered or located in Massachusetts may participate in the program
12 through purchases of shares through the fund managing agent.

13 For the purposes of this section, the term “financial institution” or “financial institutions” shall include:
14 banking, savings institutions, trust subsidiary companies, investment banking companies, brokerage
15 companies, insurance companies and credit unions.